

BUDGET COMMITTEE MEETING – December 3, 2015

BUDGET COMMITTEE MEETING

Hooksett Town Hall

35 Main Street

Thursday, December 3, 2015

6:30 pm

CALL TO ORDER

P. Gosselin called the meeting to order at 6:30 pm.

Pledge of Allegiance

ATTENDANCE

P. Gosselin, Chair, T. Jennings, C. Morneau, D. Pearl, S. Peterson, J. Pieroni, K. VanHorn, A. Boilard, M. Miville.

Excused: J. Hyde and R. Boisvert

Absent: Hooksett Village Water Precinct and Central Water Precinct

APPROVAL OF MINUTES

Minutes of November 19, 2015

J. Pieroni motioned to approve the minutes of November 19, 2015. Seconded by A. Boilard.

Vote unanimously in favor.

PUBLIC INPUT

No input at this time

BUSINESS

School District Default Budget

The default budget was received by the budget as requested.

D. Pearl: Since this is not an approve default budget I recommend we not spend time reviewing something that maybe changed.

A. Boilard: Since this was not included in our School Board packet, the Board will take action at their next meeting. It was reviewed by K. Lessard which included removing the roof, the parking lot and some food service. The additions included insurance and wages.

I believe it will not change significantly.

BUDGET COMMITTEE MEETING – December 3, 2015

J. Pieroni: I don't believe that we have any jurisdiction to request the default budget. I don't think that is in the statute. It should be a fluid document and changed as updates and changes are found. We have a draft that is drawn up and certainly a working document and we realize it can change. This should not be a political document. It should be done by a formula and it should not change depending on who is on the School Board. By political I mean members putting their own input into it.

D. Pearl: The default budget is determined by the governing body so it requires the governing body to interpret, establish and vote on that budget. Theoretically, you can put the roof in there if they want to. What bothers me is I was told we would get the document and we didn't. I'm concerned that the default budget is greater than last year's budget. If the School Board adjourned at 7:30 pm, they should have had plenty of time to work on it.

J. Pieroni: When I was on the Board we never changed the default budget with the exception of adding insurance.

School District Budget Review

P. Gosselin: At the last meeting, we assigned individual Budget Members first and second read on the budget books.

D. Pearl: I want to disclose that my wife works as a kindergarten aid at Underhill and I am a plaintiff on a law suit against the school district.

D. Pearl motioned to remove 1 million dollars from the tuition line. Seconded by C. Moreau.

D. Pearl: This is a bottom line budget therefore the school administration can move money as needed. This is not a tuition issue. The tax payers are carrying too great a burden. This is a 5.6% increase which is a 25% increase over the last 5 years. I think the school administration has to find a way to shift things around. If this money is needed, what are we going to cut? We need to give the voters an option. The reason I wanted the default budget was because I think there are things that don't belong there. I don't think the taxpayers want to see a 5% increase every year. No matter what line we cut, they will move money wherever they see fit.

J. Pieroni: We haven't had anyone come before us so we can ask question. I'm sure Mr. Pearl, as a past school board member knows there are areas to cut that we can discuss. Do it right; say where you think things can get cut. I oppose this. The impact of that sum of money would be significant considering the increases were due to the Special Education increases. You are going to take funds from the Regular Ed to fund some other programs. Let's at least give the School an opportunity to come before us.

BUDGET COMMITTEE MEETING – December 3, 2015

T. Jennings: This is my fourth year on the committee and increasingly there has been significant opposition on this Board to go over the budget item by item. People were yelling at each other and people were moving to adjourn. We have to either entertain motions like Mr. Pearl, or we need to be here whatever time it take to go over line by line by line. We have not been willing to do that in the past.

D. Pearl: My practice of taking something out of one line was countered by Mr. Pieroni saying just take it out of insurance. I don't believe in zeroing a line because that can be interpreted as setting policy. If you don't zero a line, it doesn't really matter where you take the money. The School Board will decide how to shift the money. I am looking out for taxpayers. Our number of students are going down but the budgets have been going up and up. At some point we need to look at taking money from elsewhere other than the taxpayer. I'm convinced that the only way the school will do that is if the budget is cut. I don't see any change or trying to give up something to get something.

A. Boilard: If you do this you will not be funding 90 students for high school. I think you should do something real and not just take a chunk of money out of a line we outsource. We don't know if we will have 20 extra high school kids.

M. Miville: We continue to hear if we take it out of that line, how will we fund that line. It is a bottom line budget. Regardless what we cut, the School Board will transfer the money. Last year we took money from the buses. The School can move the money and expend the money however they would like. Because it is a bottom line budget, I have looked at the budget line by line and found cuts but we can reduce one line. This has been done in the past.

T. Jennings: Last year, I remember attempting to take \$120,000 out of a line and I had \$120,000 from specific lines. So in an attempt not to zero out a line, I tried to do that. When I attempted to go through the 12 items, I was cut off. I know that number is a large number, but saying that we are going to have to tell 90 kids they can't go to high school is not accurate.

D. Pearl: I was careful to explain twice what I meant so it is not my intent that 90 kids don't go to high school. One million represents cutting 4% of the nearly 6% increasing leaving the school a 2% increase. I represent the taxpayers and I don't think they can continue to carry this burden. I don't see them ever giving anything up to get something and it is up to the School District to figure out how to do that. Until last year, the School District didn't even do a line by line default budget.

J. Pieroni: The motion is to remove the money from the tuition line. That is a fact. We have this document and binders of information that were prepared. We will look through this information and then without even hearing from the people, we are going to cut a million dollars. Two years

BUDGET COMMITTEE MEETING – December 3, 2015

ago I asked the Board to go back and cut “x” amount of money. Where would take that money from? They came back with .5%. If you are looking to see a budget which is a million less, then lets at least give them an opportunity to see what that will look like. What is the impact of doing that? Let’s at least listen to them. To do it now would be irresponsible.

A. Boilard: The School Board had several meetings and reviewed programs and it was always coming from Regular Ed. At last year’s meeting there were two programs cut which the voters put back in at the Deliberative Session so I don’t think the public will go for it.

T. Jennings: I think while I can understand where Mr. Pieroni is coming from, I did appreciate the opportunity given to the school to look at making cuts and where the money would come from. However, I don’t see what difference it makes. We can cut and move money in later. The difference is the message. We are not playing around and we want to know where the money is going to come from or not.

C. Morneau: I see a lot of what I judge as frivolous spending. Is it my job to cut this line because I don’t think they should spend it? So to Mr. Pearl’s point, it takes out a million dollars and gives everyone an opportunity to be creative. There are always places to tighten your belt. I’d rather let the Administration make the decision and if the voters disagree, they can move it back in. They have done it before.

J. Pieroni: Your point, “It’s feasible” is my point. Let us give the School the opportunity to look at it. I thought it was our job to look at it. We have had citizens arbitrarily get up at the Deliberative Session and ask to cut 5% without knowing what the impact is. You might find out that the cut may result in a decrease in staff.

D. Pearl: I agree with Ms. Jennings that it doesn’t really matter. You may as well just cut to the chase. People get tired of going line by line and then someone comes up with a number and we vote.

M. Miville: The Town budget is an increase of less than 1%. At last night’s meeting, we talked about removing \$64,000 out of the budget and putting it back in the Ambulance fund. Which brings it \$30,000 under default. That is the Town’s perspective.

The hysterical comment by the School Board which I take exception to is the rhetorical part. The statement that we will not fund 90 kids is what I was referring to. Last year the School District brought their budget \$2,000 below the default. Was that a political decision? They brought the budget down equal to the default. This Budget Committee has had the opportunity for the first time to see all the books because they were scanned. My first reaction is there are a lot of extravagant, aristocratic items in this budget. By this motion, maybe the school will come in and show us what a million will look like. If we vote on it, they will serious look at it. As a Town

BUDGET COMMITTEE MEETING – December 3, 2015

Council Rep and Member of the Economic Development Committee, I have seen a lot of people say they need tax relief. I have heard, “you’re killing us on taxes.” This was through a private survey.

J. Pieroni: No one likes paying taxes but it is about responsible budgeting. No one wants to pay the higher bill but people want services. It is not our job to give choice to the voters; it is to develop a budget. Before SB2, you went to the annual meeting with a budget and you came out of the meeting with a budget. If the default budget is the budget that the school feels is the right budget, then that is what they should bring. Our job is to develop a responsible budget from the school side and the taxpayer’s side.

D. Pearl: I agree that there are times when the default and the proposed budget can be the same; but you have to have faith in the development of those budgets. When we signed the Pinkerton Contract, \$240,000 was put in the default budget to bus kids to high school. We are not contractually obligated for the number of buses, just what we pay for buses. When the default is up 1.5 million and seeing what was put in there in the past, I don’t have faith in the numbers and want to give people a choice. I will stand by my motion. We don’t have a default budget so we don’t even know what that is.

A. Boilard: I would prefer Mr. Pieroni’s collaborative approach. To Mr. Pearl, this year we have more Special needs students. The health care prices are going up and they are required by contract.

P. Gosselin: There was an article written by Dr. Shankle that the town’s insurance premiums are decreasing because of costs being picked up by the employees. Why can’t the school bring forward the same savings?

A. Boilard: We are locked into insurance by teacher’s contract.

P. Gosselin: The increase in the budget over the past 5 years in the school budget was staggering. Has the Administration looked at innovative ways to curb this budget? I will be supporting this motion. I don’t want to be the expert at making individual cuts. I think we can provide a great education with this cut.

J. Pieroni: This motion doesn’t make the School Board or the Administration act. They can wait until the voters act and if it passes, deal with it. If we are responsible, we should ask them to tell us the impact. I think it would be better to have a motion to see where the impact will be and where will you make the cuts; then you can challenge their decisions and get the feedback. I think we should have a deliberative process. Regarding what has happened; we have made some major changes in the district. We have changed high school and now bus to both schools which

BUDGET COMMITTEE MEETING – December 3, 2015

had a significant impact. There are 58 fewer students going to private school than in previous years. That is a good thing in one way but it has a financial impact. We have the time to send it back to the Administration and tell us what they will do. Regarding the default budget, we have a draft and they are not required to give this to us by a certain date. We have the opportunity to questions items in there.

T. Jennings: I don't think we can sustain a 6% increase.

D. Pearl motioned to call the question. Seconded by M. Miville.

Vote 6:3 motion carried.

D. Pearl amended the motion to state "public high school tuition line 31-1105-5561-3" Second by J. Pieroni.

Vote unanimously in favor

Vote on amended motion

Roll Call

<i>A. Boilard</i>	<i>No</i>
<i>K. VanHorn</i>	<i>No</i>
<i>C. Morneau</i>	<i>Yes</i>
<i>P. Gosselin</i>	<i>Yes</i>
<i>D. Pearl</i>	<i>Yes</i>
<i>J. Pieroni</i>	<i>No</i>
<i>S. Peterson</i>	<i>No</i>
<i>T. Jennings</i>	<i>Yes</i>
<i>M. Miville</i>	<i>Yes</i>

5:4 motion carries

J. Pieroni motion that we ask the Administration and the School Board to prepare a budget that reflects a one million dollar reduction of the School Board's budget. Seconded C. Morneau.

D. Pearl: This budget is not final. This motion was not intended to be a final budget. I support this motion in an effort to work collaboratively. This is a bottom line budget and that was the understanding when I chose the tuition line.

J. Pieroni: The School Board did their job and they provided a budget. The Administration however is required to provide the information we as a Budget Committee request.

Vote 8:1 motion carried

BUDGET COMMITTEE MEETING – December 3, 2015

J. Pieroni: I feel we should still hear them present the budget that was submitted by the School Board.

D. Pearl: Theoretically, we could motion to put that money back in the budget after the presentation by the School Administration.

J. Pieroni: It is a large task to prepare a one million dollar cut in one week; however they are prepared to explain their budget. We could contact the Superintendent and ask him how long it will take him.

T. Jennings motioned to have the presentation by the School Board if they so choose at the next meeting. Seconded by D. Pearl.

J. Pieroni asked if the expectation is for the Principals and the Directors to be able to present these cuts. That will be difficult. We should have just the Superintendent come in.

D. Pearl: If the School wants to come and present next week they can, if they don't want to they don't have to.

P. Gosselin: We are willing to give them next week and the following week.

M. Miville: They have been doing this budget preparation for a long time. I don't think it is a jump to say there are things in there that are wants and some things that are needs. The School Board made cuts and they can do that if they were asked to do so.

A. Boilard: It has to come from the School Board. I will contact them tomorrow and see if we can meet.

P. Gosselin: We are giving you the opportunity to come next week with whoever you would like to address these cuts.

M. Miville: One of the cuts made troubled me. I would like clarification. The School Board voted 4:2 to cut the School Board members stipend. How did that transpire? Is this money for next year or this year?

A. Boilard: We now get two payments of \$900 per year. Next year we will get two payments of \$750 per year.

M. Miville: I would like to add back the \$2270 to the budget.

BUDGET COMMITTEE MEETING – December 3, 2015

P. Gosselin: I would like to keep the discussion to school budget review and questions for next week.

T. Jennings: We have all submitted questions. We should have already done our job and asked those questions.

P. Gosselin asked that members continue to work on their books or look at other books.

A. Boilard: I have 5 questions that needed to be addressed.

- Budget Breakdown by school – Provided tonight
- Tech Plan – Provided tonight
- Medicaid reimbursements for students – Will be answered next week
- Applying for grants – Will be answered next week
- Tours – Should be posted by the Budget Committee

I have received 6 other questions

- Elimination of programs – Suspension Program
- Cost of paper copy machine – An analysis was done and will present at the next meeting
- Are things that can be brought in bulk, bought that way? Yes, that is why we are in an SAU.
- What is included in telephone lines? Just telephones, we have a separate internet
- Why has transportation increased so much? WE are busing to two high schools. Our contracts will come up in 2017-18
- There was an increase in Special Ed. Is it accurate and why so high?
Our enrollment reports change week to week. These reports are the best reflection at the time.
- Why are we anticipating 21 extra Regular Ed High School students next year? The enrollments change year to year. The current 8th grade is 175. The previous year it was 150.

D. Pearl: I understand your request to black box the tuition was denied by the School Board. What was the explanation?

A. Boilard: They would like to manage the money themselves. There isn't any extra money in the line because we now budget for actual students. We know exactly where students are going already.

M. Miville: There are a limitless number of items that have supplies with shipping costs. She mentioned WB Mason. We could buy these items in town like crayons, etc. that could be bought locally. We could also buy from WB Mason and they deliver so why are we paying

BUDGET COMMITTEE MEETING – December 3, 2015

shipping. I said the same thing last year. I saw an effort in the Memorial book to reduce the shipping cost.

P. Gosselin: The shipping costs are the type of things that I see which need to be looked at.

A. Boilard: If you had a specific item, I can go back and ask. There are items that are specialty shipped.

OTHER BUSINESS

PUBLIC INPUT

Phil Denbow: There was a lot of talk of Dave's and John's motion. I think if John's motion had come first it would have been better. We did that with the Tech. Director. We asked him to show us how to cut \$75,000. Then we reviewed the changes.

The Special Ed issue required us to go into a special account to hire 4 more Para Professionals. I understand the small stuff like shipping that Marc is talking about. Each member of the School Board had a book like you and we reviewed everything. At the end of the day you are looking at the large budget drivers. We all talked to the staff and determined the issues.

ADJOURNMENT

*D. Pearl motioned to adjourn. Seconded by J. Pieroni.
Vote unanimously in favor.*

Respectfully submitted,

Lee Ann Moynihan